



**6560-50-P**

## **ENVIRONMENTAL PROTECTION AGENCY**

**[FRL-9977-65-OAR]**

### **Allocations of Cross-State Air Pollution Rule Allowances from New Unit Set-Asides for 2018 Control Periods**

**AGENCY:** Environmental Protection Agency (EPA).

**ACTION:** Notice of data availability.

**SUMMARY:** The Environmental Protection Agency (EPA) is providing notice of the availability of data on emission allowance allocations to certain units under the Cross-State Air Pollution Rule (CSAPR) trading programs. EPA has completed preliminary calculations for the first round of allocations of allowances from the CSAPR new unit set-asides (NUSAs) for the 2018 control periods and has posted spreadsheets containing the calculations on EPA's website. EPA will consider timely objections to the preliminary calculations (including objections concerning the identification of units eligible for allocations) before determining the final amounts of the first-round allocations.

**DATES:** Objections to the information referenced in this notice must be received on or before [insert date 30 days after date of publication in the Federal Register].

**ADDRESSES:** Submit your objections via email to [CSAPR\\_NUSA@epa.gov](mailto:CSAPR_NUSA@epa.gov). Include "2018 NUSA allocations" in the email subject line and include your name, title, affiliation, address, phone number, and email address in the body of the email.

**FOR FURTHER INFORMATION CONTACT:** Questions concerning this action should be addressed to Kenon Smith at (202) 343-9164 or [smith.kenon@epa.gov](mailto:smith.kenon@epa.gov) or Jason Kuhns at (202) 564-3236 or [kuhns.jason@epa.gov](mailto:kuhns.jason@epa.gov).

**SUPPLEMENTARY INFORMATION:** Under each CSAPR trading program where EPA is responsible for determining emission allowance allocations, a portion of each state's emissions budget for the program for each control period is reserved in a NUSA (and in an additional Indian country NUSA in the case of states with Indian country within their borders) for allocation to certain units that would not otherwise receive allowance allocations. The procedures for identifying the eligible units for each control period and for allocating allowances from the NUSAs and Indian country NUSAs to these units are set forth in the CSAPR trading program regulations at 40 CFR 97.411(b) and 97.412 (NO<sub>x</sub> Annual), 97.511(b) and 97.512 (NO<sub>x</sub> Ozone Season Group 1), 97.611(b) and 97.612 (SO<sub>2</sub> Group 1), 97.711(b) and 97.712 (SO<sub>2</sub> Group 2), and 97.811(b) and 97.812 (NO<sub>x</sub> Ozone Season Group 2). Each NUSA allowance allocation process involves up to two rounds of allocations to eligible units, termed "new" units, followed by the allocation to "existing" units of any allowances not allocated to new units.

This notice concerns preliminary calculations for the first round of NUSA allowance allocations for the 2018 control periods. Generally, the allocation procedures call for each eligible unit to receive a first-round 2018 NUSA allocation equal to its 2017 emissions as reported under 40 CFR part 75 unless the total of such allocations to all eligible units would exceed the amount of allowances in the NUSA, in which case the allocations are reduced on a pro-rata basis.

The detailed unit-by-unit data and preliminary allowance allocation calculations are set forth in Excel spreadsheets titled

"CSAPR\_NUSA\_2018\_NOx\_Annual\_1st\_Round\_Prelim\_Data",  
"CSAPR\_NUSA\_2018\_NOx\_OS\_1st\_Round\_Prelim\_Data", and  
"CSAPR\_NUSA\_2018\_SO2\_1st\_Round\_Prelim\_Data," available on EPA's website at <https://www.epa.gov/csapr/new-unit-set-aside-notice-data-availability-nusa-noda-cross-state-air-pollution-rule>. Each of the spreadsheets contains a separate worksheet for each state covered by that program showing, for each unit identified as eligible for a first-round NUSA allocation, (1) the unit's emissions in the 2017 control period (annual or ozone season as applicable), (2) the maximum first-round 2018 NUSA allowance allocation for which the unit is eligible (typically the unit's emissions in the 2017 control period), (3) various adjustments to the unit's maximum allocation, many of which are necessary only if the NUSA pool is oversubscribed, and (4) the preliminary calculation of the unit's first-round 2018 NUSA allowance allocation.

Each state worksheet also contains a summary showing (1) the quantity of allowances initially available in that state's 2018 NUSA, (2) the sum of the first-round 2018 NUSA allowance allocations that will be made to new units in that state, assuming there are no corrections to the data, and (3) the quantity of allowances that would remain in the 2018 NUSA for use in second-round allocations to new units (or ultimately for allocation to existing units), again assuming there are no corrections to the data.

Objections should be strictly limited to the data and calculations upon which the NUSA allowance allocations are based and should be emailed to the address identified in **ADDRESSES**. Objections must include: (1) precise identification of the specific data and/or calculations the commenter believes are inaccurate, (2) new proposed data and/or calculations upon which the commenter believes EPA should rely instead to determine allowance allocations,

and (3) the reasons why EPA should rely on the commenter's proposed data and/or calculations and not the data referenced in this notice.

EPA notes that an allocation or lack of allocation of allowances to a given unit does not constitute a determination that CSAPR does or does not apply to the unit. EPA also notes that under 40 CFR 97.411(c), 97.511(c), 97.611(c), 97.711(c), and 97.811(c), allocations are subject to potential correction if a unit to which allowances have been allocated for a given control period is not actually an affected unit as of the start of that control period.

(Authority: 40 CFR 97.411(b), 97.511(b), 97.611(b), 97.711(b), and 97.811(b).)

Dated: April 30, 2018.

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